

Fill in this information to identify your case:

United States Bankruptcy Court for the:

NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

Case number (if known)

Chapter 11

☐ Check if this an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

4/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name 440 N. State, LLC

2. All other names debtor used in the last 8 years

Include any assumed names, trade names and doing business as names

3. Debtor's federal Employer Identification Number (EIN) 27-3121251

4. Debtor's address

Principal place of business

Mailing address, if different from principal place of business

440 N State St
Chicago, IL 60654-5610

Number, Street, City, State & ZIP Code

P.O. Box, Number, Street, City, State & ZIP Code

Cook
County

Location of principal assets, if different from principal place of business

440 N State St Chicago, IL 60654-5610
Number, Street, City, State & ZIP Code

5. Debtor's website (URL)

6. Type of debtor

☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

☐ Partnership (excluding LLP)

☐ Other. Specify:

Debtor **440 N. State, LLC**
Name

Case number (if known)

7. Describe debtor's business

A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
☐ Railroad (as defined in 11 U.S.C. § 101(44))
☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
☒ None of the above

B. Check all that apply

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.
See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- ☐ Chapter 7
☐ Chapter 9

☒ Chapter 11. Check all that apply:

- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
☒ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
☐ A plan is being filed with this petition.
☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11 (Official Form 201A) with this form.
☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

☐ Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

- ☒ No.
☐ Yes.

If more than 2 cases, attach a separate list.

District	When	Case number
District	When	Case number

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

- ☒ No
☐ Yes.

List all cases. If more than 1, attach a separate list

Debtor	Relationship
District	When
	Case number, if known

Debtor **440 N. State, LLC**
Name

Case number (if known)

11. Why is the case filed in this district?

Check all that apply:

- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

☒ No

☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)

☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? _____

☐ It needs to be physically secured or protected from the weather.

☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

☐ Other _____

Where is the property? _____

Number, Street, City, State & ZIP Code

Is the property insured?

☐ No

☐ Yes. Insurance agency _____

Contact name _____

Phone _____

Statistical and administrative information

13. Debtor's estimation of available funds

Check one:

☐ Funds will be available for distribution to unsecured creditors.

☒ After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors

☒ 1-49

☐ 50-99

☐ 100-199

☐ 200-999

☐ 1,000-5,000

☐ 5001-10,000

☐ 10,001-25,000

☐ 25,001-50,000

☐ 50,001-100,000

☐ More than 100,000

15. Estimated Assets

☒ \$0 - \$50,000

☐ \$50,001 - \$100,000

☐ \$100,001 - \$500,000

☐ \$500,001 - \$1 million

☐ \$1,000,001 - \$10 million

☐ \$10,000,001 - \$50 million

☐ \$50,000,001 - \$100 million

☐ \$100,000,001 - \$500 million

☐ \$500,000,001 - \$1 billion

☐ \$1,000,000,001 - \$10 billion

☐ \$10,000,000,001 - \$50 billion

☐ More than \$50 billion

16. Estimated liabilities

☐ \$0 - \$50,000

☐ \$50,001 - \$100,000

☒ \$100,001 - \$500,000

☐ \$500,001 - \$1 million

☐ \$1,000,001 - \$10 million

☐ \$10,000,001 - \$50 million

☐ \$50,000,001 - \$100 million

☐ \$100,000,001 - \$500 million

☐ \$500,000,001 - \$1 billion

☐ \$1,000,000,001 - \$10 billion

☐ \$10,000,000,001 - \$50 billion

☐ More than \$50 billion

Debtor **440 N. State, LLC**
Name

Case number (if known)

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature
of authorized
representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on **October 19, 2016**
MM / DD / YYYY

X /s/ Marcus Carbajal
Signature of authorized representative of debtor

SIGN HERE **Marcus Carbajal**
Printed name

Title **Manager**

18. Signature of attorney

X /s/ Karen Jackson Porter
Signature of attorney for debtor

Date **October 19, 2016**
MM / DD / YYYY

Karen Jackson Porter
Printed name

Porter Law Network
Firm name

230 West Monroe St. Suite 240
Chicago, IL 60606
Number, Street, City, State & ZIP Code

Contact phone Email address **porterlawnetwork@gmail.com**

6188626
Bar number and State

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) Chapter 11
)
440 N. State, LLC) Case No.
)
Debtor.) Judge

LIST OF CREDITORS AND PARTIES TO RECEIVE NOTICE

AMPS Management
351 W Hubbard St Ste 602
Chicago, IL 60654-4486

Breakthru Beverage Group
3333 S Laramie Ave
Cicero, IL 60804-4520

City of Chicago Department of Finance
121 N La Salle St Fl 7
Chicago, IL 60602-1202

Illinois Department Employment Security
Bankruptcy Unit Collection Subdivision
33 S State St Fl 10
Chicago, IL 60603-2804

Illinois Department of Revenue
Bankruptcy Section
PO Box 64338
Chicago, IL 60664-0338

Internal Revenue Service
Centralized Bankruptcy Operations
PO Box 7346
Philadelphia, PA 19101-7346

Joe Perillo
1035 N Clark St
Chicago, IL 60610-2809

Kabbage
PO Box 77081
Atlanta, GA 30357-1081

Southern Wine & Spirits
298 N Canal St
Chicago, IL 60606-1206

touchbistro
1410 Broadway Rm 2701
New York, NY 10018-5010

Karen J. Porter
Attorney No 6188626
PORTER LAW NETWORK
230 West Monroe
Suite 240
Chicago, Illinois 60606
312-372-4400
312-372-4160

B2030 (Form 2030) (12/15)

United States Bankruptcy Court
Northern District of Illinois, Eastern Division

In re **440 N. State, LLC**

Debtor(s)

Case No.

Chapter **11**

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR

1. Pursuant to 11 U.S.C. § 329(a) and Fed. Bankr. P. 2016(b), I certify that I am the attorney for the above named debtor(s) and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

For legal services, I have agreed to accept	\$	6,717.00
Prior to the filing of this statement I have received	\$	6,717.00
Balance Due	\$	0.00

2. The source of the compensation paid to me was:

☐ Debtor ☒ Other (specify): Perillo

3. The source of compensation to be paid to me is:

☒ Debtor ☐ Other (specify):

4. ☒ I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm.

☐ I have agreed to share the above-disclosed compensation with a person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation is attached.

5. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:

- a. Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
- b. Preparation and filing of any petition, schedules, statement of affairs and plan which may be required;
- c. Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof;
- d. Representation of the debtor in adversary proceedings and other contested bankruptcy matters;
- e. [Other provisions as needed]

The filing fee has been paid. The final compensation for this case will be the amount that the court awards after ruling upon applications for compensation

6. By agreement with the debtor(s), the above-disclosed fee does not include the following service:

CERTIFICATION

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceeding.

October 19, 2016

Date

/s/ Karen Jackson Porter

Karen Jackson Porter

Signature of Attorney

Porter Law Network

230 West Monroe St. Suite 240

Chicago, IL 60606

porterlawnetwork@gmail.com

Name of law firm

**PORTER LAW NETWORK
230 WEST MONROE, SUITE 240
CHICAGO, IL 60606
312- 372-4400**

AGREEMENT TO PROVIDE LEGAL SERVICES

October 19, 2016

Mr. Marcus M. Carbajal
Manager
440 440 N. State , LLC
440 440 N. State Street
Chicago, IL 60654

Re: Chapter 11 Case:

On behalf of our firm I want to thank you, as Manager of 440 N. State , LLC ("440 N. State "), for selecting us to represent 440 N. STATE in connection with a Chapter 11 case.

Lawyers are required, under the Rules of Professional Conduct, before beginning the representation of a client to communicate to the client the scope of the representation, the basis for the legal fees and the rates that will charged to the client.

SCOPE OF LEGAL SERVICES

We agree to perform legal services in connection with a Chapter 11 bankruptcy case for 440 N. STATE. The representation will include the legal services necessary to file the Chapter 11 case; stabilize the business operations of 440 N. STATE; restructuring the debt of 440 N. STATE and complete the Chapter 11 Case by (i) confirming a plan of reorganization, (ii) converting the Chapter 11 case to a Chapter 7 case or (iii) dismissing the Chapter 11 case.

ATTORNEYS RESPONSIBILITIES

Karen J. Porter and the Porter Law Network will perform the following legal services in connection with the 440 N. STATE Chapter 11 case:

- (a) To give 440 N. STATE legal advice with respect to its powers and duties as a debtor-in-possession in the continued management of its assets;
- (b) To prepare such applications, motions, complaints, orders, reports, pleadings, plans, disclosure statements or other papers on 440 N. STATE behalf that may be necessary in connection with this case;

- (c) To attend meetings of creditors and meetings with third parties;
- (d) To assist 440 N. STATE with its business operations;
- (e) To assist 440 N. STATE in preparing and obtaining the court's approval of a plan of reorganization and disclosure statement in order to preserve the value of its assets;
- (f) To take such action as may be necessary with respect to claims that may be asserted against 440 N. STATE and
- (g) To perform any other legal services for 440 N. STATE which may be required in connection with this case.

ATTORNEY'S FEES AND COSTS

We will charge 440 N. STATE the following hourly rates for the legal services provided by the attorneys and staff that will be performing the legal services: \$425.00 per hour for the services of Karen J. Porter; \$300.00 to \$200.00 per hour for the services of any associated attorneys and \$175.00 for the services of our law clerks and legal assistants.

We will charge 440 N. STATE for the expenses that are required for a Chapter 11 case. Such expenses will include, but are not limited to: (1) court filing fees; (2) the actual cost of photocopies; (3) messenger deliveries; (4) actual cost of postage for notices to creditors; (5) actual cost of court reporters and transcripts; and (6) computerized case docketing and legal research. We reserve the right to charge 440 N. STATE for any other reasonable and necessary expense that we incur in connection with the Chapter 11 case.

We request a retainer in the amount of \$5000.00 and the filing fee in the amount of \$1717.00 in order to file the Chapter 11 case. The retainer in the amount of \$5,000.00 that we are requesting is not an indication of the total legal fee for this chapter 11 case. 440 N. STATE, agrees to pay for all the legal fees and expenses we incur to represent 440 N. STATE in connection with this Chapter 11 case.

We consider the retainer an advance payment retainer under Illinois because we are committing to provide legal services for the duration of the Chapter 11 case rather than on a month to month basis. We will deposit the retainer into our operating account. The retainer becomes our property when we receive the retainer. You have the right to request that the retainer be treated as a security retainer and placed into our client trust account. We reserve the right to change the terms of our representation if you request a security retainer.

We will bill 440 N. STATE periodically for the legal services we perform and the expenses we incur at the hourly rates listed above. We will present applications for compensation to the court and the court will have the right to review and approve our legal fees and expenses. If the total cost of the legal services we perform and the expenses we incur are more than the retainer that we have been paid, 440 N. STATE will be obligated to pay the balance due.

CLIENT RESPONSIBILITIES

This agreement is limited to the Chapter 11 bankruptcy proceedings of, 440 N. STATE . The execution of this agreement does not obligate us to represent any individual or entity other than 440 N. STATE in connection with any matter other than this Chapter 11 proceeding.

We have advised you that we cannot represent the principals of 440 N. STATE or any individual that has guaranteed, or is liable for, the debts of 440 N. STATE . 440 N. STATE or any other individual, will not be protected by the automatic stay, and will be required to hire a separate attorney to provide representation for their interests, including in any lawsuits or other collection actions by the creditors of 440 N. STATE against them.

As the Manager of 440 N. STATE you agree to fully cooperate with us with respect to the Chapter 11 case. You agree to provide us with complete and accurate information concerning the financial affairs of 440 N. STATE You agree to provide us with a complete and accurate list of all creditors, personal property, income and all the other information required by the United States Bankruptcy Court and any trustee responsible for your case.

While 440 N. STATE is operating in a Chapter 11 proceeding, there will be many obligations to the office of the United States Trustee and creditors which must be fulfilled. You will have the responsibility to file monthly financial operating reports disclosing the postpetition business operations, pay quarterly fees to the trustee, pay postpetition real estate and other taxes, and maintain adequate insurance coverage,

We have explained to you that the financial restructuring of 440 N. STATE using Chapter 11 of the Bankruptcy Code will be a difficult legal proceeding. 440 N. STATE will be required to operate its business after the case is filed without running deficits. 440 N. STATE will also be required to pay its operating expenses including rent, insurance and all payroll expenses. 440 N. STATE will be required to demonstrate that it can operate at a profit and develop a plan to repay its creditors over time.

We will make every effort to guide 440 N. STATE through the chapter 11 case. However we are unable to guarantee you that 440 N. STATE will be able to obtain debtor in possession financing to fund its operations, restructure its affairs to operate profitably, develop a viable reorganization plan to repay its creditors or confirm a reorganization plan. For these reasons, we cannot guarantee that the Chapter 11 reorganization for 440 N. STATE will be a successful one. We must also advise you that in the event 440 N. STATE cannot fund its postpetition operations, or develop a viable reorganization plan to repay its creditors, 440 N. STATE will be faced with a dismissal of the chapter 11 case or the conversion to a chapter 7 liquidation.

While 440 N. STATE is operating in a chapter 11 proceeding, there will be many obligations to the office of the United States Trustee and creditors which must be fulfilled. 440 N. STATE will have the responsibility to file monthly financial operating reports disclosing the postpetition business operations, pay quarterly fees to the trustee pay postpetition state and local taxes, including payroll taxes and maintain adequate insurance coverage. In addition 440 N. STATE may be required to make current payments to secured creditors whose property you intend to use during the chapter 11 proceeding or who have a right to adequate protection payments. 440 N. STATE will also be required to remain current on the payments of all utilities for services rendered after the case is filed.

PROPERTY OF THE ESTATE

The filing of the Chapter 11 case creates an estate. All of the real and personal property that belongs to 440 N. STATE when the case is filed and all of the real and personal property that is acquired by 440 N. STATE after the case is filed becomes property of the estate. The court has jurisdiction of all property of the estate. 440 N. STATE cannot sell or dispose of property of the estate without the court's authority. If the 440 N. STATE chapter 11 case is converted to a chapter 7 liquidation and a trustee is appointed, all of the property of the estate at the time the case is converted will belong to the chapter 7 trustee for the benefit of 440 N. STATE's creditors.

TERMINATION OF AGREEMENT

You understand that we will not be able to provide adequate legal representation for 440 N. STATE if you fail to provide us with complete and accurate information or fail to fully cooperate with us. You further understand that your failure to provide information, to cooperate with us or to fulfill your duties during the Chapter 11 case may increase the cost of the legal services we render, may result in the Chapter 11 case being dismissed by the court or converted to a Chapter 7 liquidation.

We reserve the right to withdraw as the attorney of record for 440 N. STATE and to terminate this agreement (1) if our legal fees and expenses are not paid as set forth in this agreement, (2) if you fail to cooperate with us during the Chapter 11 proceeding, (3) if you fail to comply with any requirement of the United States Trustee (4) if you fail to obey an order of the Bankruptcy Court (5) if the case is converted to a Chapter 7 or (6) if you fail to comply with any other terms of this agreement.

Either party may terminate this agreement with or without cause and at any time upon giving written notice to the other party. The termination of this agreement will not affect the obligation to pay any outstanding legal fees. We agree that if this agreement is terminated we will provide copies of documents in our files to you provided you have paid any outstanding legal fees and expenses, including copy charges for copying the files.

ENTIRE AGREEMENT

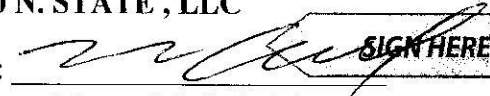
This agreement contains our full and complete understanding with respect to the subject matter hereof. This agreement supersedes all prior representations and understandings whether written or oral. This agreement shall be governed by the laws of the State of Illinois in all respects. This agreement may be executed by facsimile, electronically, and in counterparts.

Very truly yours,

PORTER LAW NETWORK

By: Karen J. Porter
Karen J. Porter

440 N. STATE , LLC

By:  **SIGN HERE**
Marcus M. Carbajal